

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

On this the 15th day of May, 2006 the City Council of the City of Aransas Pass convened in a Regular Council Meeting being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

PRESENT:	Jesus Galvan,	Mayor
	Dorothy Roberts,	Mayor Pro Tempore
	Frank Hametner,	Council Member
	Grace Chapa,	Council Member
	Jay Attaway,	Council Member

ABSENT: None

ADMINISTRATIVE PERSONNEL PRESENT:	Scott Thompson,	City Manager
	Allen Lawrence,	City Attorney
	Ada Owens,	Interim City Secretary

ADMINISTRATIVE
PERSONNEL ABSENT: None

STAFF PRESENT:	Gretchen Black,	Assistant City Manager
	Darren Gurley,	Director of Public Works
	Darrell Jones,	Police Chief
	Frank Truitt,	City Inspector
	Gilbert Ritz,	Fire Chief

OTHERS PRESENT: Ralph and Lu Arcemont, Janis Scobee and Ray Garcia (G.M. Fabricators), Karin Richmond (G.M. Fabricators Consultant), Sami Louise Shirley, Alpha and James R. Covington, Brock Vardsveen and Robby Pedersen (Iron Gator), Karl Lovette, Ernie Torres, Diana and Tom Nevett, Dimitri P. Georgantas and Victor Barcot (Porto Aegean, Inc.), Belinda Ritz, Patty Gilden, Rose Mary Upton, Pam Martin (Chamber of Commerce), Angus and Christi Mathews, Hope and Capt. Fred J. Comingore, Mark and Bridget Mehre, Earl Buckmaster, Nancy Allen, Vickie Abrego, Don McTee, Irene Irely, Eva Young, Ann Melton, Jay Masterson, Tommy Knight, Lulu Spriggs, Nancy Vasquez-Perez (attorney with Linebarger), Ingrid and Karl Stengel.

(There may have been others present who did not sign in).

ITEM 1.

CALL MEETING TO ORDER.

Mayor Galvan called the meeting to Order at 7:00 p.m. on May 15, 2006.

Mayor Galvan congratulated Council Member Hametner and Mr. Tommy Knight on winning their respective races in the May 13, 2006 election.

ITEM 2.

INVOCATION AND PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG AND THE TEXAS FLAG.

Council Member Hametner gave the Invocation.

Council Member Chapa led the Pledge of Allegiance to the United States Flag and the Texas Flag.

ITEM 3.

CITIZEN'S COMMENTS.

There were none.

ITEM 4.

CONSENT AGENDA – *“All of the Following items on the Consent Agenda are considered to be routine by the City Council and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member so requests. If discussion is desired that item will be removed from the Consent Agenda and will be considered separately”.*

A. Approval of Minutes of a Regular Meeting of May 1, 2006.

B. Approval of Ordinance No. 2006-3895 – Annexing adjacent and contiguous territory to the City of Aransas Pass, Texas, pursuant to Article 43.028, Texas Local Government Code; finding that all necessary and required legal conditions have been satisfied, providing that such area shall become a part of the City and that owners and inhabitants thereof shall be bound by the Acts and Ordinances now in effect and to be hereinafter adopted; providing a severability clause; and , providing an effective date.

Mayor Pro Tempore Roberts made the motion to approve the Consent Agenda Items A and B. Council Member Hametner seconded the motion and the motion carried unanimously.

ITEM 5.

PROCLAMATION – DECLARING THE MONTH OF MAY AS “SENIOR CITIZEN MONTH.”

After Mayor Galvan read the Proclamation declaring the month of May as “Senior Citizen Month,” Ms. Eva Young accepted the Proclamation from Mayor Pro Tempore Roberts.

ITEM 6.

CONSIDER AND ACT ON RESOLUTION NO. 2006-556 – MANIFESTING A CONN BROWN HARBOR LEASE AGREEMENT BETWEEN THE CITY OF ARANSAS PASS AND PORTO AEGEAN, INC. AND ACCEPTING CERTAIN TERMS AND CONDITIONS.

Mr. Dimitri Georgantas, President of Porto Aegean, Inc. addressed the Council stating his partner, Victor Barcot, was present. Mr. Georgantas stated he had questions about the Conn Brown Harbor lease. Mr. Georgantas stated their concern was the condition of the premises that are leased on an “as is” basis and the possibility of an inspector forcing Mr. Georgantas to make repairs to bring the premises up to code. He stated the property was in poor condition now, particularly the dock and some of the pilings. He stated his company intends to reinforce some of the dock and clean the property, but that area of the lease seemed vague to him.

The City Manager stated the City could document the condition of the property before Mr. Georgantas leases the property.

Mr. Georgantas stated he had no problem making the City an additional insured on his insurance policy, but the property may not be insurable.

The City Manager asked staff if there had been problems insuring the property. The staff indicated there was not. The City Manager stated he did not see any problems insuring the property. He stated property damage insurance was something that would be addressed once staff learns what the insurance issues are.

Mr. Georgantas stated he was concerned about the environmental clause in the lease. He stated he did not want to take responsibility for any previous property contamination, but he would be responsible for any contamination caused by his company.

Council Member Attaway stated Mr. Georgantas and the Public Works Director could make a joint inspection of the property.

Mr. Georgantas stated that would be fine.

Mr. Georgantas stated the last item concerning him was the clause referring to liens on the property. He stated his company did not have any problem with the clause pertaining to the equipment on the premises, but the company owns a shrimp boat and would not be able to accept a lien on the shrimp boat.

The City Attorney stated the lien is called a Landlord's Lien and is to secure payment in the event the lessee defaults and the lien would be upon any items owned that are on the property.

Mayor Pro Tempore Roberts made the motion to approve Resolution No. 2006-556 after the joint inspection has been made satisfactory to the City and Porto Aegean, Inc. and excluding the vessel from possible lien. Council Member Attaway seconded the motion and the motion carried unanimously.

ITEM 7.

CONSIDER AND ACT ON APPOINTING MEMBERS TO THE HARBOR MANAGEMENT TASKFORCE STAKEHOLDERS COMMITTEE.

After discussion Mayor Pro Tempore Roberts made the motion to accept Ms. Margaret Garret to the Harbor Management Taskforce Stakeholders Committee. Council Member Hametner seconded the motion and the motion carried unanimously.

ITEM 8.

PUBLIC HEARING CONCERNING THE ADOPTION OF AN ORDINANCE TO PARTICIPATE IN THE TEXAS ENTERPRISE ZONE PROGRAM AND TO CONSIDER AND NOMINATE GULF MARINE FABRICATORS, L.P. TO THE OFFICE OF THE GOVERNOR AS A TEXAS ENTERPRISE ZONE PROJECT.

City Attorney Mr. Allen Lawrence declared the Public Hearing open at 7:15 p.m. on the adoption of an Ordinance to participate in the Texas

Enterprise Zone Program and to consider and nominate Gulf Marine Fabricators, L.P. to the Office of the Governor as a Texas Enterprise Zone Project.

The City Manager stated his first concern for the City is liability and responsibility in regard to the formation of the Enterprise Zone. The Enterprise Zone is an impetus for economic development and industries that want to move to certain locations look for these types of zones because of the tax abatements that are offered through the State. The City Manager stated he would highly recommend that the City Council approve the establishment of the Enterprise Zone. He stated the City would have no financial responsibility in the Enterprise Zone.

Mr. Tom Nevett with Gulf Marine Fabricators addressed the City Council giving a recent history and statistics on Gulf Marine Fabricators. He stated Gulf Marine was planning to invest approximately \$40M in the next five years in capital expense to improve the company and the yard. He stated that Gulf Marine was encouraged by the tax rebates to be had in an Enterprise Zone and that would be the only rebate the company would receive, which would be based on the number of employees that are hired and maintained at Gulf Marine.

Council Member Hametner asked does Gulf Marine have a lot of jobs available in the near future?

Mr. Nevett stated Gulf Marine planned to hire another 150 people right now.

The City Attorney stated it was his understanding the Enterprise Zone would not affect the City's Industrial District Agreement with Gulf Marine.

The City Manager stated the City received approximately \$39,000.00 from the Industrial District Agreement and that would not be affected.

The City Attorney asked if there was anyone present who opposed the application. Seeing none, he closed the Public Hearing at 7:19 p.m.

ITEM 9.

CONSIDER AND ACT ON AN ORDINANCE TO PARTICIPATE IN THE TEXAS ENTERPRISE ZONE PROGRAM AND TO CONSIDER AND NOMINATE GULF MARINE FABRICATORS, L.P. TO THE OFFICE OF THE GOVERNOR AS A TEXAS ENTERPRISE ZONE PROJECT.

Council Member Hametner made the motion to adopt an Ordinance to participate in the Texas Enterprise Zone Program and to consider and nominate G. M. Fabricators, L.P. dba Gulf Marine Fabricators ("Gulf Marine") to the Office of the Governor as a Texas Enterprise Zone Project. Council Member Attaway seconded the motion and the motion carried unanimously.

ITEM 10.

PUBLIC HEARING ON REQUEST OF IRON GATOR, INC. TO BUILD A 1 TO 100 PLUS GATED RV COMMUNITY. THE PROPERTY IS DESCRIBED AS LANDBLOCK 6, FARMLOT 2, ARANSAS COUNTY, CITY OF ARANSAS PASS, TEXAS. THE PROPERTY IS ZONED PLANNED DEVELOPMENT.

City Attorney Mr. Allen Lawrence declared the Public Hearing open at 7:20 p.m. on the request of Iron Gator, Inc. to build a 1 to 100 plus gated RV community. The City Attorney stated the Planning and Zoning Commission had met on this matter and recommends approval to the City Council.

Mr. Brock Vardsveen of Iron Gator, Inc. addressed the City Council stating the request was the first zoning of one of the gated RV community being built consisting of approximately 120 lots.

The City Attorney addressing Mr. Jerry Brundrett, surveyor with Griffith & Brundrett, asked was this a replat?

Mr. Brundrett stated the property was originally platted into multiple farm lots. He stated Iron Gator, Inc. owns 200-300 acres and the gated community is within the Planned Unit Development. The lots will be sold as opposed to some of the development that will be rented or leased, but since these lots are to be sold the property had to be platted and recorded so deeds could be given when the property was sold.

The City Attorney asked Mr. Brundrett was this property in the area that was annexed May 1, 2006?

Mr. Brundrett stated yes.

The City Attorney asked Mr. Brundrett was the property to be rezoned and replatted?

Mr. Brundrett stated he understood the property had already been rezoned.

The City Attorney stated if the City just annexed the property, it could not have been rezoned. Discussion followed regarding the rezoning of the property.

Mr. Vardsveen stated he would proceed with rezoning the property immediately.

The City Attorney asked if there was anyone present who opposed the application. Seeing none, he closed the Public Hearing at 7:24 p.m. and stated he recommended approval of the replat.

ITEM 11.

CONSIDER AND ACT ON REQUEST OF IRON GATOR, INC. TO BUILD A 1 TO 100 PLUS GATED RV COMMUNITY. THE PROPERTY IS DESCRIBED AS LANDBLOCK 6, FARMLOT 2, ARANSAS COUNTY, CITY OF ARANSAS PASS, TEXAS. THE PROPERTY IS ZONED PLANNED DEVELOPMENT.

Mayor Pro Tempore Roberts made the motion to approve the request of Iron Gator, Inc. to build a 1 to 100 plus gated RV community. Council Member Hametner seconded the motion and the motion carried unanimously.

ITEM 12.

PUBLIC HEARING ON REQUEST OF HANS J. DAHLE TO REPLAT TRACT 5, OUTLOT 40 INTO LOTS 5-A AND 5-B, 900 BLOCK OF W. JOHNSON. THE PROPERTY IS ZONED RESIDENTIAL (R-16).

City Attorney Mr. Allen Lawrence declared the Public Hearing open at 7:25 p.m. on the request of Hans J. Dahle to replat Tract 5, Outlot 40 into Lots 5-A and 5-B, 900 block of W. Johnson.

Mr. Brundrett stated the request was to split Tract 5 into Lots of approximately 2.204 acres each.

The City Attorney asked if there was anyone present who opposed the application. Seeing none, he closed the Public Hearing at 7:26 p.m.

ITEM 13.

CONSIDER AND ACT ON REQUEST OF HANS J. DAHLE TO REPLAT TRACT 5, OUTLOT 40 INTO LOTS 5-A AND 5-B, 900 BLOCK OF W. JOHNSON. THE PROPERTY IS ZONED RESIDENTIAL (R-16).

Mayor Pro Tempore Roberts made the motion to approve the request of Hans J. Dahle to replat Tract 5, Outlot 40 into Lots 5-A and 5-B, 900 Block of W. Johnson. Council Member Attaway seconded the motion and the motion carried unanimously.

ITEM 14.

PUBLIC HEARING ON REQUEST OF HOMER V. ROBERSON III TO REPLAT TRACTS 7, 8 AND 9, LANDBLOCK 213, 1000 BLOCK W. YOUNG, BURTON & DANFORTH SUBDIVISION INTO LOTS 1 THROUGH 12, T & T ROBERSON ADDITION. THE PROPERTY IS ZONED RESIDENTIAL (R-7B).

The City Attorney declared the Public Hearing open at 7:27 p.m. on the request of Homer V. Roberson III to replat Tracts 7, 8 and 9, Landblock 213, 1000 Block W. Young, Burton & Danforth Subdivision into Lots 1 through 12, T&T Roberson Addition.

Mr. Brundrett stated the replat was on W. Young Avenue and that there was public water available on Young Avenue although the one acre plus lots would be large enough to have water wells. All lots have frontage on Young Avenue and all lots have access to Young Avenue.

Council Member Hametner asked are there any deed restrictions to install all-weather access to the back lots?

Mr. Brundrett stated he had not seen the deed restrictions. There may be deed restrictions, but generally deed restrictions are not included for driveways. Discussion regarding the access to the back lots was held.

The City Attorney asked if there was anyone present who opposed the application. Seeing none, he closed the Public Hearing at 7:30 p.m.

ITEM 15.

CONSIDER AND ACT ON REQUEST OF HOMER V. ROBERSON III TO REPLAT TRACTS 7, 8 AND 9, LANDBLOCK 213, 1000 BLOCK W. YOUNG, BURTON & DANFORTH SUBDIVISION INTO LOTS 1 THROUGH 12, T & T ROBERSON ADDITION. THE PROPERTY IS ZONED RESIDENTIAL (R-7B).

Council Member Chapa made the motion to approve the request of Homer V. Roberson III to replat Tracts 7, 8 and 9, Landblock 213, 1000 Block W. Young, Burton & Danforth Subdivision into Lots 1 through 12, T&T Roberson Addition. Mayor Pro Tempore Roberts seconded the motion and the motion carried unanimously.

ITEM 16.

CONSIDER AND ACT ON AWARDING A BANKING CONTRACT FOR SELECTION OF A CITY DEPOSITORY.

The City Manager stated the staff analyzed the rating schedules of the banks' Requests for Proposals and rated Prosperity Bank highest because the bank had no fees.

Council Member Attaway asked what was the length of the banking contract?

The City Manager stated three years.

Mayor Pro Tempore Roberts made the motion a banking contract for a City depository for three years be awarded to Prosperity Bank. Council Member Hametner seconded the motion and the motion carried unanimously.

Council Member Hametner commented that all the banks rated identical, other than Prosperity Bank was not charging fees and that was why Prosperity Bank was awarded the banking contract.

ITEM 17

RECESS REGULAR MEETING AND RETIRE TO EXECUTIVE SESSION PURSUANT TO CHAPTER 551 OF TEXAS GOVERNMENT CODE.

Council recessed into Executive Session at 7:36 p.m.

A. Section 551.074, Personnel Matters, City Secretary Appointment.

B. Section 551.071, Legal Matters, Settlement offer in Suit No. A-02-3069-TX-A, Aransas Pass Independent School District, City of Aransas Pass and Aransas County vs. Five G's Inc., et al.

C. Section 551.072, Real Property, Joint meeting with the Aransas Pass Municipal Development District to consider their recommendations regarding the construction of the community center project and the possible purchase of land.

ITEM 18.

RECONVENE IN REGULAR MEETING AND CONSIDER AND ACT ON FINDINGS OF EXECUTIVE SESSION.

Council reconvened at 8:10 p.m.

A. Section 551.074, Personnel Matters, City Secretary Appointment.

Mayor Pro Tempore Roberts made the motion to approve the appointment of Ada Owens as City Secretary at her current salary. Council Member Attaway seconded the motion and the motion carried unanimously.

B. Section 551.071, Legal Matters, Settlement offer in Suit No. A-02-3069-TX-A, Aransas Pass Independent School District, City of Aransas Pass and Aransas County vs. Five G's Inc., et al.

Council Member Hametner made the motion to approve the settlement offer in Suit No. A-02-3069-TX-A, Aransas Pass Independent School District, City of Aransas Pass and Aransas County vs. Five G's Inc., et al. Mayor Pro Tempore Roberts seconded the motion and the motion carried unanimously.

C. Section 551.072, Real Property, Joint meeting with the Aransas Pass Municipal Development District to consider their recommendations regarding the construction of the community center project and the possible purchase of land.

Mayor Pro Tempore Roberts made the motion to authorize City Manager Scott Thompson to negotiate with Mr. Karl Lovett on property upon receipt of a request for same from the Aransas Pass Municipal Development District.

ITEM 19.

ADJOURNMENT OF MEETING.

Mayor Galvan adjourned the meeting at 8:18 p.m.

Jesus Galvan, Mayor

ATTEST:

Ada Owens, City Secretary